DOCUMENT RESUME

ED 060 810 HE 002 918

TITLE The Tucker Report. Report of the Governor's Task Force on the Role of Private Higher Education in Missouri.

INSTITUTION Governor's Task Force on the Role of Private Higher Education in Missouri, Jefferson City.

PUB DATE 17 Dec 70

NOTE 39p.

EDRS PRICE MF-$0.65 HC-$3.29

DESCRIPTORS *Educational Coordination; *Higher Education; *Private Colleges; *State Aid; *Statewide Planning

ABSTRACT

The Governor's Task Force on the Role of Private Higher Education in Missouri was charged with finding the answers to and making recommendations concerning the following questions: (1) What resources do the private colleges and universities of Missouri have that might be utilized by the State? (2) What solutions have other states adopted toward making use of their private institutions, and which of these would best serve Missouri? (3) What have other states done to coordinate their interest in higher education, and which of these mechanisms would best serve Missouri's needs? and (4) What constitutional questions are involved in the State making use of its private colleges and universities? In response to these questions, it is recommended that the State: (1) establish a student assistance program under the supervision and administration of a central state agency; (2) set up the machinery necessary to allow contractual arrangements by the State with the private institutions; (3) encourage contracting between public and private institutions for services and programs; (4) conduct a study to determine what share of educational costs should be borne by students versus taxpayers; (5) restructure the Missouri Commission on Higher Education that it might better coordinate public and private higher education; and (6) amend the Missouri Constitution to allow students in need, regardless of whether they attend public or private institutions, to receive assistance grants from the State. (Author/HS)

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THE TUCKER REPORT

Report of the Governor's Task Force
on the Role of
Private Higher Education
in Missouri

U.S. DEPARTMENT OF HEALTH,
EDUCATION & WELFARE
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December 17, 1970

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In recognition of the great work for the citizens and the students of the State by our late Chairman, The Honorable Raymond R. Tucker of St. Louis and Missouri, who combined in his life the role of teacher and statesman in an exemplary way, the Task Force most respectfully and unanimously voted to name this, our report,

THE TUCKER REPORT

THE REPORT OF THE GOVERNOR'S TASK FORCE ON THE ROLE OF PRIVATE HIGHER EDUCATION IN MISSOURI

DECEMBER 17, 1970

OFFICE OF THE GOVERNOR

Warren E. Hearnes
Governor

Executive Office
Jefferson City
Missouri
65101

In receiving this, THE TUCKER REPORT, I recognize it as a report of a wide spectrum of Missouri's citizens advising me, as Governor, on policies judged to be appropriate for consideration by the State when it faces the issues involved in strengthening all of our higher educational resources, public and private.

A citizen's report on higher education is a rare document. In the past, reports in this field have been prepared by experts and, while strong professional advice, they sometimes failed to indicate, the interests and concerns of our citizens. At this time in Missouri's history, therefore, when we face a shortage of funds to expand public colleges and universities and we find 8,667 vacancies in our private institutions, 5,872 of which could have been filled by freshmen in the Fall of 1970, this is a most welcome and important guide for all deliberations. It points out ways in which these vacancies can be filled, making higher education available to Missouri students without a major tax increase for this purpose.

I believe that THE TUCKER REPORT does much to help us get at the problem of the economical and efficient use of state funds for higher education. It is my hope that the recommendations of the Task Force be regarded by the Legislature and the State as the carefully considered judgments of a cross section of our citizens. Second, that professional studies called for and implicit in this report be implemented when appropriate, but that our first concern be setting a policy that will enable the State to adequately utilize all its higher educational resources.

It is appropriate that all of Missouri's people remember the work of the late Honorable Raymond R. Tucker. He is high on the list of Missouri's great statesmen/educators. His life-long concern was for a Government and a State strengthened and made vital by a strong body of educated citizens. This report of the Governor's Task Force on the Role of Private Higher Education in Missouri recommends to us policies consistent with his concerns and serves, I believe, as a fitting memorial to his work and his life.

The State of Missouri owes a debt of gratitude and appreciation to the members of the Task Force who gave so much of their time, effort and unfailing dedication in preparing this report. I, as Governor offer them the State's most respectful thanks for their guidance.

Warren E. Hearnes
Governor of Missouri

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A. Questionnaire distributed to forty-eight private institutions in Missouri

B. Private Institutions Cooperating with the Task Force

C. "Statewide Coordinating Boards of Higher Education" Compact

D. "Elements to be Considered in Creating a State Coordinating Board for Higher Education" — Matthew J. Cullen, Jr.

SUMMARY OF FINDINGS AND RECOMMENDATIONS

We find that:

— **In response to the question, "What do you feel is a realistic number of additional students that your institution could have accommodated this academic year?" forty-one private institutions of higher education in Missouri report 8,667 undergraduate spaces available.**

— **In response to the question, "How many additional Missouri students can you take at the undergraduate level either by adding to your present body or adjusting the balance of in-state to out-of-state students?" these same forty-one institutions report 8,818 undergraduate spaces available.**

We recommend that the State:

— **Establish a student assistance program under the supervision and administration of a central state agency. Such assistance should be available to eligible individual students enrolled in any accredited, not-for-profit, institution of higher education within the State that meets standards of eligibility as established by the Missouri Commission on Higher Education.**

— **Set up the machinery necessary to allow contractual arrangements by the State with private institutions of higher education. Assistance for such specialized services will be given to the student upon his entrance into the contracted program.**

— **Encourage contracting between public and private institutions for services and programs.**

— **Conduct a study to determine what share of higher educational costs should be borne by students versus taxpayers.**

— **Restructure the Missouri Commission on Higher Education with broader authority and responsibility to more fully and effectively coordinate public and private higher education in Missouri.**

— **Immediately, through the General Assembly of Missouri, take the necessary steps toward amending Article III, Section 38 (a) of the Missouri Constitution so as to provide an exception to the Section for assistance grants in cases of need to Missouri students wishing to attend public or private colleges and universities in the State.**

TASK FORCE CHARGE

The Governor's Task Force on the Role of Private Higher Education in Missouri is charged with recommending to me on Thursday, December 17, 1970, those steps and procedures it judges would be most effective for the State in its utilizing Missouri's private colleges and universities in order to meet our goal of providing diverse higher educational opportunities for its citizens.

I would like recommendations on four matters of special concern:

I. What resources have the private colleges and universities of Missouri that might be utilized by the State?

II. What solutions have other states adopted, or are considering, toward making effective use of their private colleges and universities? Which of these, or variations or adaptations, would best serve Missouri?

III. What have other states done to coordinate their interest in higher education? Which of these mechanisms, or what other mechanisms, would best serve Missouri's needs?

IV. What, if any, constitutional questions are involved in the State making effective use of its private colleges and universities?

Warren E. Hearnes
Governor of Missouri

THE GOVERNOR'S TASK FORCE ON THE ROLE OF PRIVATE HIGHER EDUCATION IN MISSOURI

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FOREWORD

We believe in education. We believe that an educated citizenry is the foundation stone of democracy, and indeed of civilization. We also believe in freedom, whether it be in the political, social, religious, vocational or educational fields. It is of ultimate importance to the future public welfare of Missouri and the welfare of its citizens that all our diverse opportunities for higher education be strengthened and made available to all our citizens. It is to this end, therefore, that we have addressed our inquiry and have kept before us our concern for strengthening the quality of all our institutions, public and private.

We view higher education in Missouri as a total system and while our attention has been given to the private institutions as resources to be utilized by the State, we urge the continued strengthening of all our public colleges and universities. We cannot afford to view higher education as two systems — one oriented to public use, the other oriented solely to private citizens. Our convictions stem from the increasing importance now being placed on higher education in the United States.

In considering the role Missouri's private colleges and universities should fill, we have been concerned with the State's obligation to provide diversity of higher educational opportunities for all who can make use of them. At the same time, we believe that any programs or procedures to assist or more fully utilize higher educational institutions and facilities, both public and private, must not in any way contribute to or perpetuate mediocrity. The objective of enhancing institutional and academic excellence must be inherent in all such programs.

We are concerned for the actual and potential resource that the private institutions provide to the citizens of the State. Where there is a quality program it enhances each citizen's opportunity for higher education in Missouri. The welfare of these institutions is of critical importance.

Freedom of selection in education has long been more readily available to our more affluent citizens. Freedom in choosing an educational institution is within reach for most of our very bright students. There are many scholarships, for both public and private institutions, open to the academically gifted. But the student who has neither wealth nor genius may have a very limited choice, or even no opportunity for higher education.

Today children of middle-income families are at least as vulnerable to losing freedom of choice in pursuing their higher education as the children of low-income families. Some of the very poor and most of the very rich have sources of funds from special programs and family fortunes that give them freedom of choice. Middle income families are, however, experiencing increasing difficulties meeting higher education's costs in both public and private institutions. Implicit in much of our deliberations and recommendations has been a concern for meeting the needs of this group as well as those of lower income groups.

We feel that it is important, therefore, that we define need, for so much of our report's recommendations depend upon a clear understanding of this concept. The needy student is one whose financial circumstances are such that he is deterred by costs from attending

a college of his choice once he has been accepted by it. In other words, although he is qualified for the institution and interested in attending it, his financial limitations disallow him his freedom to do so. It is our strong belief that this situation is against the public welfare of the State.

A stronger system of higher education made up of Missouri's public and private institutions and a strengthening of the public welfare by providing for freedom of choice by students seeking higher education is our major concern and the thrust of this report.

I. WHAT RESOURCES HAVE THE PRIVATE COLLEGES AND UNIVERSITIES OF MISSOURI THAT MIGHT BE UTILIZED BY THE STATE?

The Task Force was charged with determining the resources available to the State of Missouri in its private colleges and universities. While it is easy to put dollar amounts on plant values, payrolls and endowments, and it is easy, too, to determine the number of spaces open for students and for Missouri resident students in these institutions, we are unable to statistically describe the high quality and rich diversity of educational programs offered by the private institutions.

Yet it is in these areas of programs, of trained and highly qualified faculties, of dedicated and sensitive administrators, and of intelligent and concerned students now involved in our private colleges and universities, where we cannot be sufficiently detailed or descriptive, that we find the greatest of Missouri's educational resources.

In Missouri there are twenty-four colleges, seven junior colleges[1], ten theological schools, five professional schools and two universities, all of which are incorporated as private, not-for-profit institutions[2].

Of these forty-eight institutions, forty-one responded to the Task Force's invitation of November 3, 1970, to submit specific information as to their enrollment, budget, assets, additional capacity and unique programs[3]. A number of these institutions gave testimony

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[1]Mercy Junior College closed in June, 1970.

[2]Missouri Commission of Higher Education, Directory of Institutions of Higher Education, September 1969.

[3]See Appendix A for questionnaire that was distributed.

at our two hearings. Data was clarified in subsequent telephone conversation. Although all of the institutions who replied to the questionnaire were contacted by phone, we did not have an on-site review of submitted information or of the institutions' facilities. The Task Force, however, judged these figures to be of reasonable accuracy.

Missouri's Private Higher Educational Institutions as Current Resources for the State, 1970-71

Present Enrollment in Missouri's Private Undergraduate Institutions:

30,040 full-time students are now enrolled in thirty-six of Missouri's private institutions with undergraduate programs.

10,162	Freshmen
7,887	Sophomore
5,785	Juniors
4,899	Seniors
1,307	Unclassified
30,040	TOTAL

Present Enrollment in Missouri's Private Graduate and Professional Institutions:

7,116 full-time graduate students are currently enrolled in ten of Missouri's private institutions with graduate and professional programs (five of which function exclusively at this level).

Medical Schools	1,793 full-time students
Colleges and Universities.	4,336 full-time students
Theological Schools	987 full-time students
	7,116 TOTAL

Financial Data: (Forty-one institutions reporting)

Their estimated replacement value (including plant, equipment, etc.), is $505.9 million.

As of December, 1970, their aggregate endowment is $243.32 million.

Their total 1970-71 operational budget is $158,517,677 of which $66,185,441 is for instructional purposes.

The Private Institutions as a Potential Resource for the State

The private institutions were invited to submit an estimate of their ability to expand the present student enrollment taking into consideration three factors.

Present Educational Facilities which include classroom, laboratory, office, study (including library) and special use facilities.

Present Auxiliary Facilities which include housing, medical care, supporting facilities (including food service) and recreational facilities.

Existing Faculty

After having submitted specific figures for each of these areas they were invited to consider these factors as well as other factors (for example, the ability of their institution to hire additional faculty on the income from the projected additional students; to increase the proportion of students to faculty; to expand) in order to determine ". . . a realistic number of additional students your institution could have accommodated this academic year."

A compilation of the total figures received in several categories of the questionnaire is listed below. They are based on the information provided to the Task Force by the colleges and universities. **In light of these figures the Task Force finds that there are substantial educational facilities available to be used by the citizens of Missouri.**

The submitted questions and their answers which we found most significant were:

> Considering the factors in the following questions, A, B and C, and other factors such as increased enrollment of commuter students or limited increase in faculty which is presently desirable, etc., what do you feel is a realistic number of additional students that your institution could have accommodated this academic year?
>
> Undergraduate Students 8,667
> Graduate Students 1,038
>
> How many additional Missouri students can you take either by adding to your present student body or adjusting the balance of in-state to out-of-state students?
>
> At the Undergraduate level? 8,818
> At the Graduate level? 528

The Task Force judged questions A, B and C to be of related importance because of the constraints placed on replying institutions:

> A. How many additional full-time students could you accommodate this year without expanding educational facilities?
>
> Undergraduate Students 9,591
> Graduate Students 1,058
>
> B. How many full-time students could you accommodate this year without expanding auxiliary facilities (dormitories, cafeterias, etc.)?
>
> Undergraduate Students 8,264
> Graduate Students 283

C. How many additional full-time students could you accommodate this year without adding additional faculty?

Undergraduate Students	6,388
Graduate Students	243

Freshmen Openings:

In the 1970 fall term the thirty-six institutions with undergraduate programs enrolled 10,162 freshmen. They estimate that they had **additional capacity available for 5,872 freshmen for the 1970 fall term.**

We cannot say that available spaces in these institutions will be used by local, statewide or out-of-state students. This is a matter of the student's choice based, we believe, upon the attractiveness of any institution to them as people and as career seeking individuals.

II. WHAT SOLUTIONS HAVE OTHER STATES ADOPTED, OR ARE CONSIDERING, TOWARD MAKING EFFECTIVE USE OF THEIR PRIVATE COLLEGES AND UNIVERSITIES? WHICH OF THESE, OR VARIATIONS OR ADAPTATIONS, WOULD BEST SERVE MISSOURI?

The Task Force has been charged with recommending "those steps and procedures it judges would be most effective for the State in its utilizing[1] Missouri's private colleges and universities in order to meet our goal of providing diverse higher educational opportunities for its citizens."

More specifically we were charged with determining "what solutions other states (have) adopted, or are considering, toward making effective use of their private colleges and universities," and to recommend "which of these, or variations or adaptations, would best serve Missouri."

We are mindful of Governor Hearnes' words in speaking to the 53rd Annual Convention of the American Council on Education:

> Today we find our higher level of state support will not continue to bring the growth it has produced in the past few years. . . . At the same time our great private colleges and universities are in serious financial difficulties. Should the private colleges fail, our public colleges would be overwhelmed with additional students and the burdens of the taxpayer would multiply. . . . While we face a shortage of funds to expand public colleges and universities, we find

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[1]Dr. Harding: "Does the State have authority to utilize the resources or facilities of private colleges and universities except in time of emergencies according to the Constitution of the State of Missouri?" Mr. Spencer concurred.

that the private institutions in Missouri have 7,300 vacancies. Surely there must be ways in which these vacancies can be filled, making higher education available to Missouri students without a major tax increase.

The Task Force concurs with the recommendations of the Missouri Commission on Higher Education (First Coordinated Plan for Missouri Education, September, 1966):

> Every Missouri citizen should have equal and reasonable higher educational opportunities. . . . Furthermore, it is the basic responsibility of the state to provide or to see to the provision of such opportunities. . . . It is in the best interest of Missouri's citizens that the widest possible diversity of higher educational opportunities be available in the state. Furthermore, such a diversity should include opportunities at a significant number and variety of private as well as public institutions. . . . What, if anything, can be done on a statewide basis? It is obvious that too much or too direct state government aid will not meet the object of diversity. . . . On the other hand, the provision of the state scholarship program which involves aid to the student and not to the institution . would provide more freedom of choice for Missouri students wishing to attend private institutions in the state. . . . Therefore the Commission continues to recommend the passage of such a state program. . . . Also some of the private institutions can be indirectly aided by cooperative arrangements with the public colleges and universities that are located near them. . . .

WHAT OTHER STATES DO TO SUPPORT HIGHER EDUCATION

In the limited time allowed, we have tried to become familiar with the programs by which other states seek more fully to utilize their private institutions of higher education.

According to recent surveys over half of our states show concern in one way or another, for the role of private higher education within

the state.[2] The programs that this concern entails take many different forms. They may, however, be divided into two general classifications — direct aid to the institution and aid to the individual students.

Direct Aid to Institutions

The forms in which direct aid to institutions is given include:

1. Direct Grants: This form is used in nine states and most extensively in Pennsylvania which has no "state university" as such, but subsidizes several private colleges and universities in the same manner that most states support their state universities.

   Alabama, Ohio, Pennsylvania, and Wisconsin provide unrestricted grants to individual schools.

   Florida, New Jersey, New York, and North Carolina provide grants for specific programs in private institutions.

   New York provides grants to institutions on an earned degree formula. Michigan also does this but only for earned degrees in Dentistry.

2. Facilities Assistance: Eleven states provide opportunity to borrow funds for construction of new facilities at private institutions of higher education and three states provide matching funds for specific purposes.

   Connecticut, Illinois, Massachusetts, Michigan, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, North Carolina, and Vermont provide self-financing corporations able to issue tax-exempt bonds for educational facilities construction.

   Illinois and New York, the former for health services and the latter for medical schools, provide matched-fund construction grants.

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[2]This review of current programs in other states in support of higher education is derived from, among other sources:

Abrahams, Louise, and Schweppe, Leigh. A Limited Study of the State Support of Private Higher Education, Washington, D. C.

Boyd, Joseph D. 1970-71 Comprehensive State Scholarship/Grant Programs.

Maryland's Horace Mann League Decision, 1966, limits construction grants to at least *de facto* non-sectarian institutions.

3. Contractual Relations: Five states contract with in-state private institutions to provide educational programs for students.

Alabama, Alaska, Connecticut, New York, and South Carolina.

In addition, at least twenty-five states use contractual arrangements made through a regional agency to provide educational places or student aid at private out-of-state schools.

The New England Board of Higher Education so far includes Maine as a paying member.

The Southern Region Educational Board made up of Florida, Alabama, Louisiana, North Carolina, Tennessee, Mississippi, Georgia, Virginia, Maryland, Texas, Arkansas, South Carolina and Kentucky.

The Western Interstate Commission for Higher Education made up of Alaska, Arizona, Colorado, Hawaii, Idaho, Oregon, Utah, and Wyoming.

4. Endowment of Professorships: The State of New York endows certain Chairs in private institutions of higher education.

5. Income Tax Credit: The State of Indiana allows its citizens to claim a tax credit for limited donations to Indiana based colleges and universities. This credit is on the adjusted gross income tax due the State. Deductions for charitable purposes, as set forth by the Federal Tax Law, are permitted to reduce taxable income. Missouri, like most states, has this latter provision, but Indiana alone allows a tax credit.

Support for Individual Students

Support for individual students who are residents of a state and are attending private institutions of higher education is much more extensive than direct aid to private institutions. It takes many different forms but where **"need"** is a factor in these student assistance programs, it is usually based upon the concept of opening up the choice of educational programs to a student by removing financial barriers to that choice. In other words, it is believed that the wide diversity of programs available to a student should not be cut out of his future by dollar considerations. Further, it is generally recognized today that need is not simply a concern of the very poor, but extends to middle income families where family income makes it difficult to meet the high cost of any higher education, public or private.

Programs of direct aid to individual students fall within seven general categories:

1. Academic Honors Scholarships: Only Vermont grants funds to high ability students without regard to their need. Certificates of Recognition are given by twelve states to students demonstrating no need:

   Connecticut, Florida, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Oregon, Pennsylvania, Rhode Island, and Virginia.

2. State Scholarship Programs: Twenty-four states provide resident students with general competitive scholarship awards based on ability and need for use in both public and private institutions.

   Alaska, California, Connecticut, Delaware (out-of-state only), Florida, Illinois, Indiana, Iowa, Kansas, Kentucky (not funded), Louisiana, Maryland, Massachusetts, Michigan, Minnesota, New Hampshire (not funded), New Jersey, New York, Oregon, Pennsylvania, Rhode Island, Vermont, West Virginia, and Wisconsin.

Special Status Scholarships are awarded by nine states to such groups as Indians, veterans, the handicapped, etc..

Connecticut, Florida, Kentucky, Rhode Island, North Dakota, Minnesota, New York, North Carolina, and Wisconsin.

Eleven states provide critical skills scholarships for students who enroll and agree to work in that field in the state after graduation.

Alabama, California, Connecticut, Georgia, Massachusetts, Minnesota, New York, North Carolina, Rhode Island, North Dakota, and Wisconsin.

3. Incentive Grants-in-Aid Programs: Now operative in twelve states, these programs have a variety of aims, but their general goal is to provide able and needy students (sometimes of particular special status, e.g., war-orphans, special academic ability students, etc.) with non-repayable grants-in-aid for use in attending public or private institutions.

California, Connecticut, Illinois, Maryland, Minnesota, New Jersey, New York, Pennsylvania, Ohio, Vermont, Washington, Wisconsin.

4. Student Tuition Allowance Programs (Non-Competitive): Under these programs, now in use in thirteen states, the fundamental basis of grants to students is need, requiring only that the recipients be residents and accepted at an institution of higher education. The grants cover all or part of tuition.

California, Illinois, Iowa, Massachusetts, Michigan, Minnesota, New Jersey, New York, Ohio, Oregon, Pennsylvania, Vermont, and Wisconsin.

5. Tuition Equalization Programs: Now operative in eight states, these programs provide grants to students attending private institutions. The grants are based on ability and need and are set at a level that includes all or part of the difference between the tuitions at state and private institutions.

Alaska, Iowa, Illinois, Michigan, New Jersey, Oregon, South Carolina, and Wisconsin.

6. Educational Grants: These programs, which are being recommended in a number of states, would grant funds beyond tuition costs, to cover other educational expenses, according to need.

7. Student Loans: Three types of loan programs now exist for student use.

A. The Guaranteed Loan Program is the most widespread of the loan programs and is coordinated under the Higher Education Act of 1965. *Missouri has such a loan program.*

B. Cancellable Scholarship Loans for students whose studies are in critical fields (e.g., teaching, nursing, medicine, etc.) are operative in five states. The loan is forgiven, according to various formulas, if the student works in the state after graduation.

Florida, Georgia, Iowa, North Carolina, and Tennessee.

C. Direct Loans: Three states have direct loan programs for eligible and needy students attending state institutions.

Florida and Vermont have modest programs. Texas has a massive direct loan program (est. in 1970-71 at $29 million).

We have also talked at length with administrators of scholarship and grant programs in Illinois, Iowa and New York. These three states were selected because all have extensive programs of state aid in the form of scholarships and student allowance programs for students attending private as well as public institutions of higher education. Illinois and Iowa were particularly included because they are neighboring states.

In Illinois, Iowa, and New York there is a scholarship program based on academic ability as well as need and usable at both public and private institutions. In each there is also a student assistance program based solely on need. Such assistance is distributed to students of middle as well as low income families. In Illinois and New

York these grants may be used at either public or private institutions. In Iowa they may be used only at private institutions, for they amount to a tuition equalization program, paying all or part of the difference between public and private tuitions.

Need is variously determined: according to net taxable income in New York, to the Parents' Confidential Statement of the College Scholarship Service in Iowa, and to a similar form administered by the State in Illinois. All take tuition cost into account in determining need, and all set a maximum grant.

The Scholarship program is being phased out in favor of the grant program in Illinois. In New York and Iowa greater emphasis and funding is being shifted to the grant program.

It is not within the scope of this Task Force to draft specific legislation. It is, however, within our competence and charge to recommend programs by which we believe Missouri could best utilize all its higher educational resources for the benefit of all its citizens.

Missouri[3] is now spending a substantial part of its income to provide public higher education at the junior college, college, university and graduate levels, and has expanded these programs immensely in the past decade. Fees have been increased, but they are still quite rightly far below the actual cost to the State in all our institutions of public higher education. In effect, the State gives large "grants" to each student attending a public institution. State sponsored scholarship programs to students enrolled in public institutions, in some cases, increase this subsidy still further. **It is clear, then, that each resident of Missouri who is being educated in a private rather than public institution signifies a saving[4] to the State, and would do so even if the State paid a portion of that saving to some of these students.**

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[3]Dr. Ellis: "According to State Government Finances, 1969, U. S. Department of Commerce, Bureau of the Census, Table IV, P. 6, in comparison to other states, Missouri ranks forty-sixth in *per capita* income paid to state governments.

[4]Mr. Jackson: "The amount has not been determined."

RECOMMENDATIONS[5]

1. We recommend that Missouri establish a student assistance program under the supervision and administration of a central state agency. Through such a program financial aid shall be available to eligible individual students enrolled in any accredited, not-for-profit, institution of higher education within the State that meets standards of eligibility as established by the Missouri Commission on Higher Education.

Student eligibility shall be based upon need, permanent State residency, acceptance by the institution which he wishes to attend, and evidence of meeting a minimum standard of academic competence such that satisfactory subsequent performance in college can be reasonably anticipated.

The procedure by which need shall be determined is through a thorough assessment of the student and his family's financial circumstances, taking into account assets as well as income, earning power of students, family size, other educational expenses and the amount of tuition and mandatory fees. A comprehensive system such as that of American College Testing Program or College Scholarship Service should be utilized to determine the level of need.

It should be clearly understood that it is the Task Force's intent that the need factor be applied to middle as well as low income families.

The maximum assistance under this program should be set below the average amount by which the State and local tax subsidizes students, generally, in public institutions of higher education. In other words, the amount of aid to a student attending a private institution shall not exceed the true cost which would have been paid by the State had he selected a typical public institution. In no event shall a student's award exceed his tuition and mandatory fees.

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[5]Dr. Harding: "Until the Constitutional questions are resolved I cannot support these recommendations."

Through this method we believe that the amount of the assistance to an individual student will meaningfully vary according to his needs.

On the basis of presentation of evidence of satisfactory academic achievement and an updated financial statement, scholarships shall be renewable for up to four years, or the equivalent, of undergraduate work, or more in special programs leading to the baccalaureate.

It is probable that even this program will not guarantee full educational opportunities for all of Missouri's citizens. There will still be some individuals of extremely low income in both urban and rural areas, who will find it impossible to attend college. Care must be taken that the suggested program be designed to coordinate Federal and private funds especially directed toward these students.

2. We recommend that the State set up the machinery necessary to allow it to enter into contractural arrangements with private institutions of higher education. Assistance for such specialized services will be given to the student upon his entrance into the contracted program.

Considerable savings will be available to the State if students in specialized fields can, by contract arrangement with the State, pursue their course of study in private institutions, rather than have the State build new facilities and hire new faculties.

3. We recommend that the State encourage contracting between public and private institutions for services and programs in order that the institutions themselves can offer a greater diversity of education by using each others special programs for the good of the students and without building duplicate programs.

4. We recommend that because the financing of higher education and the establishment of tuition levels are exceedingly complex issues, a study be conducted to determine what share of the costs should be borne by students versus taxpayers.

III. WHAT HAVE OTHER STATES DONE TO COORDINATE THEIR INTEREST IN HIGHER EDUCATION? WHICH OF THESE MECHANISMS, OR WHAT OTHER MECHANISMS, WOULD BEST SERVE MISSOURI'S NEEDS:

While the Task Force commends the present Missouri Commission on Higher Education, we recommend that the Commission be restructured and be given broader authority and responsibility to more fully and effectively coordinate public and private higher education in Missouri.[1]

The Task Force in its deliberations concerning coordinating mechanisms for all higher education, public and private, insisted that a board-of-control type mechanism was undesirable at this time. It did, however, support throughout all its discussions the concept that **Missouri must have the strongest possible coordinating mechanism for all higher education in the State, public and private, and that this coordinating body be given by Statute the authority necessary to perform its task.**

This Task Force is of the opinion that the State's investment in any institution of higher education, public or private, should be based upon concrete evidence of good management and sound educational programming. Private institutions that might, in the future, enroll students who receive State funds through student assistance programs, would, therefore, be required to meet these and other criteria set by the coordinating body. Other private institutions whose

[1]Mr. Mallinckrodt and Dr. Ellis dissented: "Among other reasons, on the grounds that the restructuring of the MCHE with all lay membership and its retention as an advisory body would reduce the essential close cooperation of educational institutions even if recourse is made to *ad hoc* committees."

students are not involved in the assistance programs would be requested to continue to cooperate with the Commission on the basis of a common concern for higher education in Missouri.

RECOMMENDATIONS:

I. In order to accomplish these goals, we recommend:

A. All members of this Commission shall continue to be appointed by the Governor with the advice and consent of the Senate.

There shall be twelve members, appointed regardless of residence, none of whom shall be officers of, or employees of, or trustees of any public or private institutions of higher education of Missouri, but all of whom shall be active leaders in the life of the State.

Each member shall be appointed for one six year term and memberships shall be arranged to rotate two off a year. Any member of this Commission failing to attend at least one-half the regularly scheduled meetings within a calendar year shall be automatically dropped and the vacancy shall be declared to exist.

B. This Commission shall have the authority to appoint *ad hoc* advisory committees to include public and private college and university presidents and officials, students, and others it deems necessary.

C. This Commission shall have the authority to employ outside consultants for all phases of its work. This Commission shall continue to have the authority to employ an executive secretary and such other staff as it deems necessary. And this Commission shall be given the budget necessary to attract to it the quality and the number of staff necessary for its effective operations.

D. The Commission shall annually elect its own officers — a chairman, a vice chairman, a secretary and a treasurer.

II. In addition to all powers now vested in the Missouri Commission on Higher Education we recommend that this Commission shall be given by Statute the powers:

A. To be the channel in both directions between the Governor's budgetary group and State funded institutions and student assistance programs in order to bring to the Legislature a unified financial program for higher education.

B. To administer a student assistance program or any other programs in the field of higher education funded by the State or Federal Government.

C. To establish the standards of eligibility for those institutions of higher education, either public or private, which students receiving student financial assistance may attend. These standards shall include, but are not limited to, standards of academic accreditation.

D. To require reports on a regular, systematized, comparable basis from cooperating institutions of higher education. These reports shall include any information on financial matters, or any other matters, which the Commission considers necessary to fulfill its functions.

E. To verify all reports which it may require to be submitted.

F. To receive all information necessary to encourage and maintain an annually updated, coordinated plan for higher education in the State of Missouri.

IV. WHAT, IF ANY, CONSTITUTIONAL QUESTIONS ARE INVOLVED IN THE STATE MAKING EFFECTIVE USE OF ITS PRIVATE COLLEGES AND UNIVERSITIES?

There are Constitutional questions raised under both the Federal Constitution and the Missouri Constitution. These questions relate to the issues of separation of State and Church and to aid to individuals as restricted by the Constitution of the State of Missouri.

THE QUESTION OF THE SEPARATION OF STATE AND CHURCH

The First Amendment to the Federal Constitution, applicable to the State through the Fourteenth Amendment, raises the question of separation of State and Church. This same question is raised under the Missouri Constitution, Article I, Section 6 and Section 7, and Article IX, Section 8.

The Task Force is aware that there are many cases in the Courts which have reached or will be reaching the United States Supreme Court and that will undoubtedly lay down guidelines by which it can be determined where the line is to be drawn with relation to use of public monies for the financing of the education of private individuals. In the brief time allotted, it has been impossible to examine these cases in depth or to attempt to predict the ultimate outcome of the various issues raised therein.

Suffice it to say that even were it desirable to institute some test case in the educational field on the general subject of separation of State and Church, such a test case would have little or no chance of reaching the United States Supreme Court before the law on the subject has long since been determined in the other litigation already pending.

Since the States are subject to limitations of the First Amendment to the Federal Constitution and since the Missouri Constitution establishes similar limitations, it is obvious that there can be no use of public monies in aid to religion. Whether public monies used to provide education for private individuals might in any particular situation constitute an aid to religion, must depend upon the particular facts of each such situation.

The Task Force recognizes that there are trends developing in the educational field. Individuals are more and more attending private colleges which have been or still are church-oriented with no intent of participating in the religious aspect of the institution itself. More and more States are providing educational aid to private individuals who will be attending private as well as public educational institutions. More and more church-controlled colleges and universities are reducing or eliminating such control.

Accordingly, in the light of these trends and in view of the aforementioned cases which will reach the Supreme Court of the United States, it is the opinion of the Task Force that the rules by which these individual situations must be tested will, in the relatively near future, be clarified for all to see.

THE QUESTION OF AID TO INDIVIDUALS

The Constitutional question of aid to individuals is raised by Article III, Section 38 (a) of the Missouri Constitution. This Section provides that

> The General Assembly shall have no power to grant public money or property, or lend or authorize the lending of public credit, to any private person, association or corporation, excepting aid in public calamity, and general laws providing for pensions for the blind, for old age assistance, for aid to dependent or crippled children or the blind, for direct relief, for adjusted compensation, bonus or rehabilitation for discharged members of the armed services of the United States who were bona fide residents of this state during their service, and for the rehabilitation of other persons. Money or property may also be received from the United

States and be redistributed together with public money of this state for any public purpose designated by the United States.

None of the exceptions contained in this Section relate to the use of public funds for private individuals either in private **or** public educational institutions. The Task Force is unable to say, in the light of Article III, Section 38 (a), that a Court would uphold a bill providing financial assistance to private individuals desiring to attend private or public institutions of higher learning in the State of Missouri.

RECOMMENDATION:

The availability of public funds for the worthwhile public purpose of providing broader educational opportunities for the citizenry of Missouri meets, in the opinion of the Task Force, the highest purpose of the public welfare.[1,2]

Accordingly, it is the recommendation of the Task Force that immediately the General Assembly of Missouri take the necessary steps toward amending Article III, Section 38 (a) of the Missouri Constitution so as to provide an exception to the Section for aid grants in cases of need to Missouri students wishing to attend public or private colleges and universities in the State.

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[1]Mr. Baker, Miss Bluford, Mr. Clarkson, Mr. Clayton, Mr. Cook, Mr. Cox, Dr. Ellis, Mr. Fleishman, Mr. Glover, Mr. Goldman, Mr. Jackson, Sen. McNeal, Mr. Spradling, Mr. Stalnaker, Col. Stribling, Mrs. Stith and Mr. White: "We believe the public purpose of the student assistance program based on need is clear. Therefore, we strongly recommend that legislative action be considered as a first step, with the Constitutional Amendment route as an alternative action."

[2]Mr. Shepley: "In my opinion the proposed program is not in violation of any of the provisions of the State or Federal Constitutions."

ACKNOWLEDGMENTS

A study such as this could not have been performed in the eight weeks given it without the kind, complete and immediate cooperation and assistance of so many persons concerned with the future of higher education. The Task Force is most grateful to the Danforth Foundation and to the Kansas City Association of Trusts and Foundations and its Edward F. Swinney Trust for the generous grants given it to perform the service to the State as set forth in Governor Hearnes' Charge.

We also wish to acknowledge with a special note of thanks the hard work and openness of the forty-one colleges and universities of the State that participated in this study. Their presidents and officers spent much time compiling the information requested by the Task Force; they spent more time answering, in public hearings, meetings, by phone and by letter, special questions put to them about their particular operations and programs. We also deeply appreciate the time and special effort of Mr. Donald Lindenbush, Acting Executive Director of the Missouri Commission on Higher Education, who provided us with information, public documents and advice. Mr. Thomas E. Luehr and Dr. Robert Jacob of the Commission's staff were especially helpful.

We are also grateful for the counsel and advice of a number of specialists in higher education who visited with the Task Force and its Committees: Dr. Ernest Palola of the Center for Research and Development in Higher Education; Dr. Lee Noel, Associate Executive Director, Illinois State Scholarship Commission; Mr. Walter G. Hannahs, Director, Student Financial Aid, New York State Education Department; Mrs. Willis Ann Wolff, Assistant for Scholarships,

Loans and Grants, Iowa Higher Education Facilities Commission; and Mr. H. William Schweers, Research Consultant, Young and Rubicam, Inc., of New York City.

We were also aided in our task by the active support of Governor Warren E. Hearnes and his staff. We wish to acknowledge the special help of Mr. Paul E. Williams, Legal Assistant to the Governor, who served as our liaison with the Executive offices of the State; Mr. Floyd C. Warmann, Executive Assistant to the Governor; and Mr. Jerry L. Bryan, Press Secretary to the Governor.

The Task Force was most fortunate in its arrangement with Frantzreb and Pray Associates, Inc., of New York City for professional staff services including research, administrative responsibility and counsel in the conduct of our inquiry, and preparation of this report. Special thanks are due Mr. John E. Healey, Vice President of Frantzreb and Pray Associates, who served as our Executive Director and Mr. John R. Connolly who served as our Associate Director. Also Mr. Arthur C. Frantzreb, Dr. Melvin M. Marcus, and especially Mr. Robert C. Wallis who coordinated the preparation of this report.

We are grateful, too, for the support of ICUM (The Independent Colleges and Universities of Missouri) and its member institutions for handling so much backup work caused by the questions addressed to the private institutions of higher education in Missouri. Mr. Charles Gallagher, Executive Director, was especially helpful in this regard.

Finally, the Task Force and its staff wish to extend special thanks to Dr. Homer Wadsworth, President of the Kansas City Association of Foundations and Trusts, and Dr. John Chandler, Vice President of the Danforth Foundation, for their personal counsel, support and concern for our work's success.

Governor's Task Force on the Role of

Private Higher Education in Missouri

Institution: _____

Date: _____

By: _____

Title: _____

A. What is your current full-time enrollment? _____
   Freshmen? _____
   Sophomores? _____
   Juniors? _____
   Seniors? _____
   Graduate Students? _____
   MA Candidates? _____
   Ph.D. Candidates? _____
   Unclassified/Special? _____
   How many of your current students are Missouri citizens? _____ Residents? _____

B. What is your current tuition? _____
   What are your current educational fees? _____
   Educational Costs: Total _____

C. What is your 1970-71 operating budget? _____

D. What is your 1970-71 instructional budget? _____

E. What is your endowment? $_____
   Its yield? $_____; _____%

Additional Institutional Capacity:

F. How many additional full-time undergraduate students could you accommodate this year without expanding educational facilities? _____ Graduate Students? _____

G. How many additional full-time undergraduate students could you accommodate this year without adding additional faculty? _____ Graduate Students? _____

H. How many full-time undergraduate students could you accommodate this year without expanding auxiliary facilities (dormitories, cafeterias, etc.)? _____ Graduate Students? _____

I. Considering the factors in questions F, G, and H above, and other factors such as increased enrollment of commuter students or limited increase in faculty which is presently desirable, etc., what do you feel is a realistic number of additional students that your institution could have accommodated this academic year? Undergraduate Students? _____ Graduate Students? _____

J. Could you increase the ratio of Missouri to out-of-state students, at the undergraduate level, without upsetting the balance of your program and the diversity of student background you desire? Yes? _____ No? _____
At the graduate level? Yes? _____ No? _____

K. If yes, based on Fall 1970 undergraduate FTE enrollment, what enrollment of Missouri students would your institution be willing to increase to? Number _____
Percentage _____

Programs:

L. Do you offer special programs not duplicated in kind or quality in Missouri? What are these and what is their full-time enrollment? _____

_____

_____

_____

_____

_____

_____

_____

_____

Return To: Mr. John E. Healey
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Governor's Task Force
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PRIVATE INSTITUTIONS COOPERATING WITH THE TASK FORCE*

PRIVATE LIBERAL ARTS COLLEGES

Avila College
Central Methodist College
Culver-Stockton College
Drury College
Evangel College
Fontbonne College
Lindenwood College
Marillac College
Maryville College of the Sacred Heart
Missouri Valley College
Notre Dame College
Park College
Rockhurst College
School of the Ozarks, The
Southwest Baptist College
Stephens College
Tarkio College
Webster College
Westminster College
William Jewell College
William Woods College

PRIVATE JUNIOR COLLEGES

Columbia College
Cottey College
Kemper Military School and College
Missouri Baptist College
St. Mary's College of O'Fallon
St. Paul's College
Wentworth Military Academy

PROFESSIONAL SCHOOLS AND COLLEGES (NON-PROFIT)

Kansas City Art Institute & School of Design
Kansas City College of Osteopathy & Surgery
Kirksville College of Osteopathy & Surgery
St. Louis College of Pharmacy
St. Louis Institute of Music

THEOLOGICAL SCHOOL AND COLLEGES

Calvary Bible College
Cardinal Glennon College
Central Bible College
Concordia Seminary
Eden Theological Seminary
Immaculate Conception Seminary*
Missouri School of Religion

PRIVATE UNIVERSITIES

St. Louis University
Washington University

*Immaculate Conception Seminary not included in statistical projections.

STATEWIDE COORDINATING BOARDS OF HIGHER EDUCATION

From: Compact, Education Commission of the States, June, 1969, Vol. 3, No. 3, P. 8.

There is no standard terminology for the various organizational forms used for coordination of higher education at the state level. For the purposes of this issue, three general categories are suggested: (1) voluntary associations which coordinate institutions and boards on a cooperative basis without mandatory coordination requirements; (2) coordinating boards which are empowered to coordinate and control selected, limited activities of the institutions within its system — such as the development of new degree programs — in conjunction with institutional boards of trustees and/or the boards for the segments; and (3) governing or governing-coordinating boards, which have been allocated specific powers of the institutional boards of trustees — often including budgetary and appointment powers — and which not only coordinate but govern institutions of higher learning within a state. The actual type of statewide agency and the legal powers allocated to it vary widely from state to state. Any apparent discrepancy in classification of state boards results from the confusion of the situation itself.

Governing Board	Coordinating Board	
Alaska	Arkansas	South Carolina
Arizona	California	Tennessee
Florida	Colorado	Texas
Georgia	Connecticut	Virginia
Hawaii	Illinois	Washington
Idaho	Kentucky	Wisconsin
Iowa	Louisiana	Wyoming
Kansas	Maryland	
Maine	Massachusetts	Voluntary Coordination
Mississippi	Michigan	
Montana	Minnesota	Indiana
Nevada	Missouri	
New Hampshire	New Jersey	No Statewide Governing
North Dakota	New Mexico	or Coordinating Board
Oregon	New York	
Rhode Island	North Carolina	Alabama
South Dakota	Ohio	Delaware
West Virginia	Oklahoma	Nebraska
Utah	Pennsylvania	Vermont

ELEMENTS TO BE CONSIDERED IN CREATING A STATE COORDINATING BOARD FOR HIGHER EDUCATION

by **Matthew J. Cullen, Jr.**

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Purpose: Is the intention to coordinate independent, largely autonomous institutions, or is it to control them? Control implies assignment of mission and presumably limitations on that mission, comprehensive master planning, imposition of enrollment limits by level for each institution, power to allocate resources, to decide which will, which will not, grow power to approve or disapprove degree-granting programs. Coordination implies much less — from voluntary participation by institutions in a loosely knit planning confederation, to non-attendance at annual meetings of the board by non-dues-paying "members."

Scope of Authority: Should the board embrace both public and private institutions? Ideally all institutions offering instruction toward a degree should be included without regard to their source of control. With public monies as a lever, perhaps full participation of "private" institutions (more properly "state-assisted non-public institutions") can be "encouraged." To have an effective state system, they must be.

Objectives: The creation of a board and staff should suggest the desire to make full utilization of the talent and physical resources of all the institutions in the state with the objective of providing the

maximum access to educational opportunities for all citizens at reasonable cost. While some assert the philosophical desirability of a mix of control, balance amongst public and private, and maintaining diversity, virtually all are of questionable validity in the light of the essential purpose whether stated or not of getting the maximum impact from each dollar spent for higher education.

Character of Board: No board is truly independent because it is appointed by an agent of government, either executive or legislative, and is dependent upon both for budgetary support. But within these limits, and they are significant, the maximum degree of independence, consistent with the State Constitution, should be sought. Stability, through long terms, is desirable. As is vitality, through a rotation policy to bring in new members occasionally. Avoidance of constituency representation would seem desirable lest those left out feel they're being treated unfairly. A public board of citizens having no stake in the outcomes would be best.

A strong staff, headed by a person chosen for his administrative, governmental, planning, and persuasive talents, rather than academic repute or distinction, is essential. Experience in state-wide master planning, in governmental budgeting, especially PPBS, should be represented on the staff, as well as sensitivity to educational values and academic concerns. But if there is a choice to be made, the former attributes should prevail, as this is primarily a governmental, not an educational, function.

In that connection, the staff might include "resident consultants" to provide management advisory services to the colleges and universities as part of an effort to design a state-wide management information system to provide the Board staff with regular, systematized, comparable data for decision-making.